

July 22, 2009

Research Update:

**Fortis Corporate Insurance N.V.
Outlook Revised To Stable; 'A-'
Ratings Affirmed On Completion Of
Amlin PLC Acquisition**

Primary Credit Analyst:

Marie-Aude Salinas, Paris (33) 1-4420-6792;marie-aude_salinas@standardandpoors.com

Secondary Credit Analyst:

Mark Coleman, London (44) 20-7176-7006;mark_coleman@standardandpoors.com

Table Of Contents

Overview

Rating Action

Rationale

Outlook

Ratings List

Research Update:

Fortis Corporate Insurance N.V. Outlook Revised To Stable; 'A-' Ratings Affirmed On Completion Of Amlin PLC Acquisition

Overview

- Amlin PLC has completed its acquisition of Fortis Corporate Insurance N.V., following the receipt of all regulatory and shareholder approvals.
- We are therefore revising our outlook on FCI to stable from negative.
- We are affirming our 'A-' insurer financial strength rating on FCI.

Rating Action

On July 22, 2009, Standard & Poor's Ratings Services revised its outlook to stable from negative on Netherlands-based commercial lines insurer Fortis Corporate Insurance N.V. (FCI), and affirmed its 'A-' long-term counterparty credit and insurer financial strength ratings on the company.

Rationale

The outlook revision follows today's announcement that U.K.-based property/casualty insurer and reinsurer Amlin PLC (BBB+/Stable/--) has completed its acquisition of FCI following the receipt of all regulatory and shareholder approvals. Now that the transaction is complete, we view FCI as strategically important to the Amlin group under our group ratings methodology. Therefore we cap the financial strength rating on FCI, as a strategically important entity of the Amlin group, at one notch below the rating on the core subsidiary of the Amlin group (Amlin Bermuda Ltd.; A/Stable/--).

The affirmation of the ratings on FCI reflects Standard & Poor's view that FCI's acquisition by Amlin substantially removes the uncertainty surrounding FCI's long-term ownership and strategy, and reinforces FCI's competitive position. Amlin's proven strong underwriting capabilities should provide further momentum to FCI's efforts to improve its operating performance and restore capital adequacy to a strong level by 2010. FCI's performance in the first six months of 2009 shows progress in this respect.

The ratings on FCI reflect our opinion of its strong capitalization and good competitive position in its specialty markets. However, the pressure on operating performance and the impact of the disentanglement from Belgian-Dutch bancassurance group Fortis on FCI's competitive position offset these positive factors, in our view.

Outlook

The stable outlook reflects that on FCI's parent, Amlin PLC. Since FCI is a strategically important subsidiary of Amlin PLC, the ratings and outlook on FCI will move in tandem with those on the group as a whole, and are capped at one notch lower than the rating on Amlin's core subsidiary.

While we understand the risk to be fairly remote, it cannot be excluded that ownership of FCI may be returned to the Dutch government or former Fortis shareholders if the legal claims made by several groups of those shareholders are successful. If this did transpire, we would consider removing any Amlin group support factored into the ratings on FCI and might lower the ratings as a result.

We expect FCI's re-underwriting, started in second-quarter 2008, to slow its exposure growth and result in improved operating performance in 2009 and 2010. Consequently, we expect gross premiums written to decline 10% and the net combined ratio to recover to 100% in 2009. Underwriting earnings are set to suffer from higher reinsurance costs and costs due to restructuring. We expect return on equity to recover to 15% and return on revenue of 10% in 2009. We also expect FCI to restore strong capital adequacy by 2010.

Ratings List

Ratings Affirmed; CreditWatch/Outlook Action

	To	From
Fortis Corporate Insurance N.V.		
Counterparty Credit Rating	A-/Stable/--	A-/Negative/--
Financial Strength Rating	A-/Stable/--	A-/Negative/--

Additional Contact:

Insurance Ratings Europe; InsuranceInteractive_Europe@standardandpoors.com

Ratings information is available to RatingsDirect subscribers at www.ratingsdirect.com. It can also be found on Standard & Poor's public Web site at www.standardandpoors.com; select your preferred country or region, then Ratings in the left navigation bar, followed by Find a Rating. Alternatively, call one of the following Standard & Poor's numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow (7) 495-783-4011.

Copyright © 2009, Standard & Poors, a division of The McGraw-Hill Companies, Inc. (S&P). S&P and/or its third party licensors have exclusive proprietary rights in the data or information provided herein. This data/information may only be used internally for business purposes and shall not be used for any unlawful or unauthorized purposes. Dissemination, distribution or reproduction of this data/information in any form is strictly prohibited except with the prior written permission of S&P. Because of the possibility of human or mechanical error by S&P, its affiliates or its third party licensors, S&P, its affiliates and its third party licensors do not guarantee the accuracy, adequacy, completeness or availability of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. S&P GIVES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. In no event shall S&P, its affiliates and its third party licensors be liable for any direct, indirect, special or consequential damages in connection with subscribers or others use of the data/information contained herein. Access to the data or information contained herein is subject to termination in the event any agreement with a third-party of information or software is terminated.

Analytic services provided by Standard & Poor's Ratings Services (Ratings Services) are the result of separate activities designed to preserve the independence and objectivity of ratings opinions. The credit ratings and observations contained herein are solely statements of opinion and not statements of fact or recommendations to purchase, hold, or sell any securities or make any other investment decisions. Accordingly, any user of the information contained herein should not rely on any credit rating or other opinion contained herein in making any investment decision. Ratings are based on information received by Ratings Services. Other divisions of Standard & Poor's may have information that is not available to Ratings Services. Standard & Poor's has established policies and procedures to maintain the confidentiality of non-public information received during the ratings process.

Ratings Services receives compensation for its ratings. Such compensation is normally paid either by the issuers of such securities or third parties participating in marketing the securities. While Standard & Poor's reserves the right to disseminate the rating, it receives no payment for doing so, except for subscriptions to its publications. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

Any Passwords/user IDs issued by S&P to users are single user-dedicated and may ONLY be used by the individual to whom they have been assigned. No sharing of passwords/user IDs and no simultaneous access via the same password/user ID is permitted. To reprint, translate, or use the data or information other than as provided herein, contact Client Services, 55 Water Street, New York, NY 10041; (1)212.438.7280 or by e-mail to: research_request@standardandpoors.com.